

of any wage increases during that period of time in Sweden—just as we see since the first of the year, inflation eating away so the workers today in America do not have a real wage increase.

As Margaret Thatcher famously said, “The problem with socialism is that you eventually run out of other people’s money.”

One of the most iconic Swedish companies is Ikea. Its stores all around the world are painted the color of the Swedish flag. During Sweden’s experiment with socialism, Ikea moved to the Netherlands and is still headquartered there today. Things in Sweden had to change. And you know what? By the 1990s, Sweden realized its mistakes going the Big Government direction that they went and they reversed course.

Yes, it did elect a center-right government in the 1990s. But even more importantly, the leftwing Swedish socialist democrats also recognized their mistake.

Norberg quotes a Social Democrat Minister of Finance:

That whole thing with democratic socialism was absolutely impossible. It just didn’t work. There was no . . . way to go than market reform.

So, yes, let us learn from Sweden here in the U.S. Senate, as we are considering a \$4.2 trillion reconciliation package that builds more government programs and entitlement programs, that once you start them they never end—because we don’t have to go down the socialism road. That road is a dead end.

Yes, Sweden still has much higher government spending and a more extensive welfare state than we have in the United States, but in order to generate the wealth to pay for it, Sweden now has very pro-growth economic policies. Sweden doesn’t pretend that they can finance all that spending by taxing the rich, like you have constantly heard from the Democrat majority in both Houses of this Congress. In fact, Sweden’s tax code is much less progressive than the Federal Government’s Tax Code here in the United States. Most Swedish tax revenue comes from an income tax system flatter than ours and also from a consumption tax.

Norberg points out that the top 10 percent in Sweden pay less than 27 percent of the taxes; whereas, in the United States, the top 10 percent pay 45 percent of all the income in the Federal Government, and we are still hearing that they aren’t paying enough. And yet, from the other side, I never hear how much more than that 45 percent that segment of our economy should pay because maybe there are some people who believe it ought to be 100 percent.

Moreover, taxes on employers and capital are modest in Sweden to attract investment and remain competitive on our global stage. The Trump tax cuts finally made our corporate in-

come tax competitive with Sweden’s. Now they want to make the American corporate tax rate yet the highest in the world, where it was for a long period of time until 4 years ago.

That is right; the Trump tax cuts made corporate tax more like Sweden, but now the Democrats want to make it less competitive once again. That is right. I am talking about today’s Democrats and the Biden proposals. By doing so, they are making the mistake that Sweden made decades ago that they are now attempting to correct and has done so by restoring pro-growth policies.

As Norberg said, “You can have a big government, or you can make the rich pay for it all. You can’t have both.”

Everybody in Sweden—rich, middle class, and even lower income—pays high taxes. That is the deal the Swedes have made. If that is the deal Democrats are offering Americans, they should be honest instead of pretending it is possible to fund Swedish-style government here in the United States by spending through soaking the rich. They should explain that hard-working Americans will have to fork over close to half of their income to the government in return for the cradle-to-grave welfare state benefits. But I think they know that would be very, very unpopular here if that is where it ends up, like it did in Sweden between 1970 and 1995.

Now, the United States is not Sweden. Americans, who declared independence and fought our Revolutionary War over taxes, are, on the whole, much less tolerant of giving over their hard-earned dollars to the government to spend.

I would urge my colleagues across the aisle to learn the lessons from Sweden, including their counterparts on the center left in Sweden. Do not kill job creation. Do not kill wealth creation. Do not let soaring inflation steal the wages of American workers.

And if you want to look to Sweden, look to the Sweden of today, not the Sweden of 1980. Better yet, if you want a model in the region, look to Sweden’s dynamic neighbor across the Black Sea, Estonia. Its history has led it to be even more resistant to the failed, outdated ideology of socialism. Estonia has the most competitive tax code in the OECD and a fast-growing economy. No wonder it is pushing back on Biden’s administrative proposal for a global minimum tax. Our actions now will determine what kind of life our kids and grandkids will have in the future.

We ought to learn from history so we can shape a brighter future. History is clear that economic freedom is the ticket to broad prosperity and not socialism.

IOWA LAND PRICES

Mr. President, now I would turn to one other point. If anybody is waiting to speak, it is a little shorter than what I just stated.

I want to make it a priority—or I do make it a priority to keep in touch

with my Iowa constituents, 2.3 million of them. I listen to their thoughts and concerns. Now, that could be on my 99-county tour meetings that I hold every year for 41 years in a row now that I have been a Senator for Iowa, or it could be during the match-up of Iowa State versus my alma mater, Northern Iowa football. In either case, I meet with Iowans where they are and listen to what is on their mind.

During this past State work period, I had multiple conversations with farmers about what is on their minds. At the UNI-Iowa State game, I had a conversation with a friend but also a fellow farmer, Ron Heck. He farms near Perry, IA, where he talked to me at this football game about concerns about President Biden’s tax plan.

Ron followed up with an email to me, which I want to share with my colleagues on the floor since this is a theme that I have consistently heard across the State.

At the end of my speech, Mr. President, I ask unanimous consent that this email be printed in the RECORD.

I am going to refer to parts of that email, but I think you ought to hear it directly from Ron Heck, so that will be at the end. Just read it.

Here is my summation of it. Ron started the email by saying:

Iowa farmers have a problem with exploding land prices, coupled with Biden’s increasing death and transfer taxes.

But to quote further:

A . . . tax at death or transfer can’t be paid back by younger working farm families. Young Iowa farmers would become feudal servants to banks and landlords from outside the state.

There are many clichés and articles written about this. I have seen some that don’t seem to grasp the problem.

For those who didn’t grasp the problem that these taxes might cause, Ron highlighted some key statistics on the lack of available Iowa farmland. You understand, God only made so much farmland.

Quoting again:

. . . in Iowa, from the third quarter of 2020 through the second quarter of 2021, CARD [the Center for Agricultural Rural Development] at ISU [Iowa State University] says 181,046 acres of Iowa farmland has been “available on the market.” Out of about 30 million crop acres, this is 0.6% in a year. Everyone knows that it might be 100 years before any one parcel is available again, so “you need to buy it now” is always said by the auctioneer. A Des Moines Register article on June 28, 2018, by Donelle Eller says that only “7% of Iowa farmland (owners) intend to sell to a non-family member.”

Ron made this point to show that public auction prices are high because of the scarcity of available farmland for sale. These prices should not be used for family tax-transfer valuations for taxation. But, of course, they would be under some of these ideas coming out of the White House.

Ron continued with facts on the price of this farmland:

Outsiders believe the value is there, but in fact, farm families don’t want to sell, so the auction price goes up.

Ron said that, in August, there were 40 Iowa farmland auctions, with most of the sales between \$10,000 to \$16,000 an acre.

Assuming a “taxable” gain of \$10,000 per acre, Biden’s taxes could be \$4,400 per acre.

Ron told me that, “At a minimum, this would be a \$200 per acre cash rent for 22 years to the U.S. Government, all payable in advance.”

He added: “This is ‘confiscation, not taxation.’”

Ron said: “. . . since the \$4,400 must be paid for in after tax dollars, it would actually take double this amount to pay it back. Interest charges could make the payback period more than 50 years, just to pay the U.S. taxes.”

Ron finished his email by saying:

It doesn’t take much outside money to raise havoc with Iowa farmland auctions, and therefore estate or transfer taxes will ultimately destroy Iowa’s farm culture.

Ron, thanks for taking time to write to me so I can tell your story to my colleagues in the U.S. Senate. It is my job to respond to comments and do something about it.

I want to urge my colleagues to join together and oppose changes that will impact family farmers and small businesses, generally. Most importantly, of those families which we were just told in Ron’s statistics, 93 percent of the farmers want to pass it on to the next generation. That might be true of small businesses as well.

These Iowa farmers, just like farmers around the country, feed and fuel our country and the world. Only 2 percent of the people in this country provide food for the other 98 percent. Ensuring that the next generation of farmers are able to keep the land in their family is in our national interest.

If you want to preserve the family farm, then you can’t let it be taken away by these Biden tax proposals. These tax-and-spend proposals will be bad for small business, for farmers, and for all Iowans.

Mr. President, at this point I ask unanimous consent that the entire email from Ron Heck be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Jennifer, you and I have not met. I talked to Senator Grassley at the ISU/UNI football game last week. He asked me to send an email to you about our conversation. He will recognize my name.

Iowa farmers have a problem with exploding land prices, coupled with Biden’s increasing death and transfer taxes. As the Senator said to me, the result is “confiscation, not taxation”. A 44% tax at death or transfer can’t be paid back by younger working farm families. Young Iowa farmers would become feudal servants to banks and landlords from outside of the state.

There are many clichés and articles written about this. I have seen some that don’t seem to grasp the problem, and some that are pretty good. I’ll do some math about Iowa grain farmers that might be helpful. I know the Senator doesn’t need to be convinced that the proposed taxes are wrong. He might find some of this useful:

In the last year in Iowa, from the third quarter of 2020 through the second quarter of 2021, CARD at ISU says 181,046 acres of Iowa farmland has been “available on the market”. Out of about 30 million crop acres, this is 0.6% in a year. Everyone knows that it might be a 100 years before any one parcel is available again, so “you need to buy it now” is always said by the auctioneer. A Des Moines Register article from June 28, 2018, by Donelle Eller says that only “7% of Iowa farmland (owners) intend to sell to a non-family member”. POINT: Public auction prices are artificially high because of scarcity and should not be used for family tax transfer valuations for taxation. Outsiders believe the value is there, but in fact, farm families don’t want to sell, so the auction price goes up.

Forty current Iowa auction prices from Aug 20 to Aug 27 were from \$7400 to \$22,600. The \$22,600 included a wind turbine that was bring in about \$400/acre in payments, so that one doesn’t count. Still, most of them were \$10,000 to \$16,000. Assuming a “taxable” gain of \$10,000 per acre. Biden’s taxes could be \$4,400 per acre. At a minimum, this would be a \$200 per acre cash rent for 22 years to the US government, all payable in advance. This is “confiscation, not taxation”. Actually, since the \$4,400 must be paid for in after tax dollars, it would actually take double this amount to pay it back. Interest charges could make the payback period more than 50 years, just to pay the US taxes.

Farmdoc from the University of Illinois has many articles showing the return to land and the farmer. They include crop and government revenue, and subtract all costs except rent and family living. The number is variable, but usually the landlord and tenant have about \$300 to split as they choose. Iowa State has similar numbers, but Illinois has a better presentation.

So, if farmers can’t pay these prices, doesn’t this all work out with lower land prices? Nope. For one thing, there is a boom and bust in Iowa land prices about every 50 years (1930, 1980, 2030?). Booms, or bubbles, are caused by a bad combination of money, credit, and attitude. What could be the problem now? Of course one is the cheap and easy credit. With 10 year T-bill rates around 1%, and everyone “knows” you can’t lose money on farm land, a \$240 cash rent on \$16,000 land at first glance is a 1.5% return. Everyone “knows” that government programs guarantee that farmers will pay the rent (have you seen the movie “The Big Short” about the housing bust?).

What about an outside billionaire getting excited about carbon sequestration, or getting nervous about the stock market? The 181,046 auctioned Iowa acres last year if they were \$14,000 per acre would have been \$2.5 billion dollars. Bill Gates is now the largest farmland owner in the US. Back to my point: it doesn’t take much outside money to raise havoc with Iowa farmland auctions, and therefore estate or transfer taxes, and ultimately destroy Iowa’s farm culture.

Mr. GRASSLEY. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. ERNST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMY

Ms. ERNST. Mr. President, Democrats in Washington are playing a high-stakes game with our Nation’s fi-

nances. Congress just keeps passing bill after bill that adds trillions of dollars in spending to Washington’s credit card.

First, there was the \$1.9 trillion “Bidenomics” stimulus bill that fanned the flames of inflation and paid people not to work. Then there was the \$1.2 trillion so-called infrastructure bill that was supposed to be entirely paid for, but wasn’t. And now the \$3.5 trillion budget blueprint that paves the way for passing a wish list of progressive priorities, like the Green New Deal and other pricey partisan pet projects.

You might think the reckless spending spree would have come to a stop after reaching the Nation’s debt limit in July. Wrong.

The Democrats are now plotting to suspend the debt limit in order to pass what would be the most expensive bill ever passed by Congress.

This reckless borrowing and spending is driving up the prices of everyday goods as well as our national debt and, if Democrats have their way, the taxes of hard-working Americans, too. With the Federal fiscal year ending in mere days, another trillion-dollar spending bill will probably be rushed through at the last minute to avoid a government shutdown because Congress put off doing its work on time yet again.

The Democrats have their hands full with multiple financial crises, all of their own making, and their solution to each of these is the same—to spend more money we don’t have—which only confounds the underlying problems. More spending results in higher taxes, increased prices, and even more debt.

The scenario reminds me of this popular meme of a guy playing UNO, in which the whole aim of the game is to rid your hand of all of your cards. I love this game. I played it as a little girl at my grandma’s house. I played UNO with all of my cousins.

OK. So, in the meme, he is seen holding a wildcard that presents him with a choice: Perform an action—in this version, to “cut unnecessary spending”—or draw another 25 cards from the deck and, most certainly, lose the game.

In the next frame, the man, who represents the Democrats here, is holding a handful of cards because he would rather do anything but what the card actually suggests.

Unfortunately, the consequences of dealing with Washington’s budget are much more dire than losing a game of UNO. Instead of drawing cards, the Democrats are selecting to borrow more to finance totally unnecessary and completely indefensible—and often bizarre—expenditures rather than simply cutting waste out of the budget.

Just like you can’t win UNO without getting rid of the cards in your hand, we will never get control of our debt until we discard the waste in Washington’s bloated budget. It may sound a bit oversimplified, but it isn’t. To demonstrate the point, I brought my own deck of cards with me today.